United Nations A/C.5/65/SR.4

General Assembly
Sixty-fifth session

Official Records

Distr.: General
5 November 2010

Original: English

Fifth Committee

Summary record of the 4th meeting
Held at Headquarters, New York, on Thursday, 7 October 2010, at 10 a.m.

Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

Contents

Agenda item 130: Programme planning

Agenda item 132: Pattern of conferences

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

10-57307 (E)

Please recycle

The meeting was called to order at 10.10 a.m.

Agenda item 130: Programme planning (A/65/6, A/65/16 and A/65/70)

1. **Mr. Pavlovich** (Chairman of the Committee for Programme and Coordination), introducing the report of the Committee for Programme and Coordination (CPC) on its fiftieth session (A/65/16), said that for the first time since its forty-second session, the Committee had reached consensus on all of the programmes submitted for its consideration, a testament to the satisfactory status of its working methods. The majority of reports had been introduced by senior Secretariat officials, thus affording the Committee access to key information on the matters before it.

2. With respect to the United Nations programme performance for the biennium 2008-2009, the Committee had emphasized the need for greater clarity in the programme performance report and recommended, inter alia, that the General Assembly should request the Secretary-General to improve the report by explaining the implementation rate and providing reasons for the addition, postponement and termination of outputs.

3. The Committee had also considered the plan outline of the proposed strategic framework for the period 2012-2013 (A/65/6 (Part one)). The Committee recommended that the General Assembly should approve the eight priorities contained in paragraph 47 of the plan outline. It also recommended that the General Assembly should request the Secretary-General to fully implement its resolution 64/259 and to present measures taken to promote accountability within the Secretariat in future plan outlines and biennial programme plans of the strategic framework. Areas of concern identified by the Committee regarding the proposed strategic framework were set out in paragraph 37 of its report.

4. With respect to evaluation, CPC had considered the report of the Office of Internal Oversight Services on the triennial review of the implementation of recommendations made by the Committee for Programme and Coordination at its forty-seventh session on the in-depth evaluation of political affairs (E/AC.51/2010/2). The Committee recommended, inter alia, that the General Assembly should request the Secretary-General to take measures to address the imbalance in geographic representation and gender parity in the Department of Political Affairs in general and in the electoral assistance roster in particular.

5. On the issue of coordination, the Committee had reviewed the annual overview report of the United Nations System Chief Executives Board for Coordination (CEB) for 2009/10 (E/2010/69) and the report of the Secretary-General on United Nations system support for the New Partnership for Africa's Development (NEPAD) (E/AC.51/2010/3). CPC recommended that the General Assembly should bring to the attention of the Secretary-General, in his capacity as Chair of CEB, the need for the Board to continue enhancing system-wide coordination in conformity with the intergovernmental mandates of its member organizations. All measures and initiatives, such as the "green economy initiative" and the concept of "one United Nations", should be consistent with those mandates. The Committee encouraged CEB to strengthen its cooperation with the Joint Inspection Unit (JIU) and the International Civil Service Commission (ICSC) through their more frequent participation in meetings of the High-level Committee on Management, the High-level Committee on Programmes and the United Nations Development Group. CPC had recalled General Assembly resolutions 62/236, 63/260 and 64/243 urging the Secretary-General to fill the vacant post of Under-Secretary-General in charge of the Office of the Special Adviser on Africa and recommended that the General Assembly should request the Secretary-General to report on the outcome at the first resumed part of its sixty-fifth session.

6. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on the proposed strategic framework for the biennium 2012-2013 (A/65/6), said that the strategic framework had been prepared in accordance with the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, and in accordance with General Assembly resolution 58/269, which requested the Secretary-General to prepare a strategic framework on a biennial basis.

7. By the same resolution, the General Assembly had affirmed that the strategic framework should constitute the principal policy directive of the United Nations. The strategic framework for 2012-2013 also took into account the provisions of General Assembly resolutions 59/275, 61/235, 63/247 and 64/229. Efforts

had been made to improve the format of part one and to reflect the longer-term objectives contained therein by, inter alia, elaborating on the priorities agreed to by Member States.

8. The strategic framework was one of the fundamental instruments guiding the work of the Organization. Part one, which contained the plan outline, highlighted longer-term objectives and priorities, while part two, the biennial programme plan, covered 27 programmes. The document was a translation of legislative mandates and would serve as the basis for the biennial programme budget proposals for 2012-2013. A summary of key legislative mandates was provided at the end of each programme in part two.

9. The plan outline had been prepared with the full involvement of the Secretary-General and the senior management of the Secretariat. The longer-term objectives reflected the guidance received from Member States, notably through CPC and the General Assembly, on the work of the Organization. The priorities identified by the General Assembly over the previous decade, together with the seven strategic opportunities articulated by the Secretary-General at the beginning of 2010, had shaped the strategic framework.

10. There was widespread agreement that the United Nations should renew its focus on sustainable development and an inclusive recovery from economic crisis. The period covered by the strategic framework also coincided with what must be a concerted push to achieve the Millennium Development Goals by the agreed deadline of 2015. Climate change was another critical factor in determining work on development, as the first year covered by the strategic framework coincided with the end of the first commitment period of the Kyoto Protocol. In addition, the Organization's core responsibilities for the period 2012-2013 included addressing the special needs of the least developed countries, implementing the action plan agreed at the Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons in support of disarmament and a nuclear-free world, maintaining international peace and security, and promoting human rights, justice and international law. With the adoption of the counter-terrorism strategy in 2006 and the establishment of the Counter-Terrorism Implementation Task Force, the Organization's work would also encompass efforts to combat international terrorism in all its forms and manifestations. Success in realizing the vision set out in the proposed strategic framework would depend on ensuring the effective functioning of the Organization through the implementation of the Umoja enterprise resource planning project and the International Public Sector Accounting Standards. In accordance with General Assembly resolution 64/259, the United Nations would continue to improve its internal control mechanisms and accountability.

11. Work would continue, as requested by General Assembly resolution 58/269, to ensure that programmes were updated to reflect the impact of intergovernmental decisions taken subsequent to the preparation of the strategic framework. Each programme would be reviewed in the context of the ongoing budget preparations for 2012-2013. Legislative mandates and programmatic adjustments that were not reflected in the strategic framework adopted by the General Assembly would be highlighted and submitted to the Fifth Committee for its review in 2011.

12. The proposed strategic framework had already undergone intergovernmental review by relevant sectoral, functional and regional bodies. In some cases, the outcomes had been incorporated in the proposals now before the Committee. In others, intergovernmental review had occurred after the finalization of initial proposals and modifications had been provided to CPC when it reviewed the proposed strategic framework.

13. The proposed strategic framework for the period 2012-2013 had benefited from the experience gained since the logical framework showing the relationship among objectives, strategy, expected accomplishments and indicators of achievement had been introduced in 2002. Reporting on results achieved, as presented in the programme performance report for the biennium 2008-2009 (A/65/70), had also contributed to a better understanding of the logical framework, the management of the work programme to achieve results, and the crucial role of feedback in the cycle of planning, programme design and implementation, monitoring and evaluation.

14. **Mr. Baez** (Policy and Oversight Coordination Service), introducing the report of the Secretary-General on the programme performance of the United Nations for the biennium 2008-2009 (A/65/70), said that the report contained information on the production of outputs — the traditional measure of performance —

and provided an overall account of the results obtained by the Organization during the period 2008-2009.

15. Of the 31 sections reporting quantifiable outputs, 18 had achieved implementation rates of 90 per cent or higher, compared to 23 in the previous biennium, while 10 had implementation rates between 80 and 89 per cent, compared to 5 in the previous biennium. Only three budget sections had implementation rates lower than 80 per cent, namely, disarmament (71 per cent), safety and security (71 per cent) and the Office of Human Resources Management (69 per cent). The Organization had achieved significant results during the biennium, which were detailed by budget section in the report.

16. At its forty-eighth session, CPC had recommended that programme managers should be held accountable for the achievement of results and for documenting progress towards fulfilling the commitments made in the programme budget through the inclusion of the related management responsibilities in the performance appraisal process. As of January 2010, the terms of reference of the Management Performance Board — the highest-level committee advising the Secretary-General on performance-related issues — had been modified to ensure that it considered the senior managers' compacts and the programme performance report simultaneously. Reinforcing the links between those instruments would result in better management and a more accountable United Nations. Through the performance management reforms currently under way, the Office of Human Resources Management would ensure that such linkages were also established in the individual workplans of staff members.

17. **Mr. Al-Shahari** (Yemen), speaking on behalf of the Group of 77 and China, underlined the importance of CPC as the main subsidiary body of the General Assembly and the Economic and Social Council for planning, programming and coordination. The Committee was at the core of the General Assembly's capacity to provide oversight of evaluation procedures to improve programme design and avoid overlapping and duplication. The Group fully endorsed its recommendations.

18. Setting the priorities of the United Nations was the sole prerogative of the Member States. It was essential that intergovernmental bodies should discuss the draft strategic framework prior to its examination by CPC, as stipulated in paragraphs 4.8 and 4.9 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. Inconsistencies between the adopted legislative mandates and some of the proposals regarding the strategic framework had led to lengthy debates and negotiations, particularly with respect to concepts and approaches that were far from enjoying consensus among Member States or were still under discussion by intergovernmental bodies. The results contained in the report of CPC now represented a balanced reflection of legislative mandates and the Group endorsed the relevant conclusions and recommendation of CPC.

19. The Chief Executives Board should play an important role in improving coordination in the United Nations system. The Secretary-General, in his capacity as Chair of the Board, should take action to enhance its transparency and accountability to Member States. The Group encouraged CEB, ICSC and JIU to engage in more effective dialogue and cooperation on matters of common interest.

20. The steps taken by the United Nations system to support NEPAD were welcome. The establishment in Addis Ababa of the United Nations Office to the African Union should facilitate the implementation of the Organization's mandate on support for the region. It was difficult to understand the delay in filling the vacant post of Under-Secretary-General in charge of the Office of the Special Adviser on Africa. The Group endorsed the conclusion of CPC set out in paragraph 386 of its report (A/65/16) and expected the Secretary-General to take urgent action in that regard.

21. **Mr. De Preter** (Belgium), speaking on behalf of the European Union; the candidate countries Croatia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, the Republic of Moldova and Ukraine, welcomed the implementation by CPC of measures to improve the effectiveness of its decisions, which would help in the discharge of its mandate. The assistance of the Secretariat, as well as closer dialogue between CPC and relevant bodies and services, were invaluable for the effective implementation of that Committee's work.

22. **Mr. Cumberbatch** (Cuba) said that his delegation had been struck by the interpretation of regulation 4.8 of the Regulations and Rules Governing Programme

Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation contained in a CPC working paper (E/AC.51/2010/CRP.1), according to which the Human Rights Council was not the relevant organ to review the proposed strategic framework for programme 19, Human rights, prepared by the Office of the High Commissioner for Human Rights (OHCHR). He expressed the hope that the issue would be resolved and called upon OHCHR to comply strictly with the Regulations.

23. The Secretariat had an obligation to prepare the strategic framework in strict compliance with legislative mandates. However, at the fiftieth session of CPC, some entities had promoted concepts and approaches that were still the subject of deliberations among Member States and upon which no consensus had been reached, leading to lengthy negotiations on a number of programmes.

24. With respect to coordination, he found it disturbing that CEB tended to operate quasi-autonomously, presented Member States with a fait accompli in many instances, promoted the interests of only one segment of the Organization's membership and ignored intergovernmental mandates. CPC had made specific recommendations to rectify that situation. In that context, he also drew attention to the recommendations of JIU on the selection and conditions of service of Executive Heads in the United Nations system organizations (A/65/71). He noted that the General Assembly was still awaiting the Secretary-General's remarks on an important JIU report on the role of the special representatives of the Secretary-General and resident coordinators (A/65/394).

25. The outcome of the fiftieth session of CPC reaffirmed the relevance of its conclusions and recommendations, which his delegation fully endorsed.

26. **Mr. Safaei** (Islamic Republic of Iran) said that his delegation endorsed the recommendations of CPC, whose detailed evaluation of all United Nations programmes helped ensure that mandates approved by Member States were implemented effectively. The guidance provided by CPC to the entities of the United Nations system helped to enhance their relevance, responsiveness and coordination. CPC also helped ensure that the Secretariat accurately translated legislative mandates into programmes. The revisions to the strategic framework proposed by CPC, being based on consensus, would facilitate the budget preparation process.

27. CEB should make every effort to strengthen the implementation of the development agenda through a system-wide approach that coordinated the actions of all agencies in combating hunger and poverty and mitigating the impact of the world economic and financial crisis. The Board must also ensure that the United Nations system played a fundamental role in the implementation of NEPAD. The Secretary-General, in his capacity as Chair of CEB, should enhance its transparency and accountability by encouraging more frequent and substantive dialogue between the Board and Member States.

28. **Mr. Nguyen** Dinh Hai (Viet Nam) said that CPC made a vital contribution to the operation of the Organization by guiding programme design and identifying programmatic changes arising from the decisions of intergovernmental bodies. Its guidance to entities of the United Nations system helped improve system-wide coherence, coordination and accountability. His delegation endorsed the Committee's recommendations, particularly regarding the need for greater coordination within the Secretariat to improve the formulation of expected accomplishments so that all mandated activities and outputs would be reflected in the budget effectively and efficiently.

29. Given the importance of evaluation for decision-making, programme design and delivery, and transparency, his delegation also agreed with the Committee's recommendation that programme managers should improve the qualitative aspects of indicators of achievement so that results could be better evaluated. Lastly, his delegation concurred that CEB must do more to enhance system-wide coordination. There was vast potential for all coordinating bodies to improve the effectiveness and coherence of programme delivery.

30. **Mr. Ovsyanko** (Belarus) expressed satisfaction with the recommendations made by CPC on the strategic framework for the period 2012-2013 and reaffirmed the importance of maintaining the mandate of CPC as the main subsidiary body of the General Assembly and the Economic and Social Council for planning, programming and coordination.

Agenda item 132: Pattern of conferences (A/65/32, A/65/122 and A/65/484 and Corr.1)

31. **Ms. Corti** (Chair of the Committee on Conferences), introducing the report of the Committee on Conferences for 2010 (A/65/32), said that, with respect to the draft revised calendar of conferences and meetings for 2011, the Committee had considered proposals for the rescheduling of meetings of the Fifth Committee during the resumed session, but had expressed disappointment that possible options had not included changing the meeting dates of CPC or the opening of the substantive session of the Economic and Social Council.

32. With regard to the utilization of conference services and facilities, addressed in chapter III, section A, of the report, the overall utilization rate for all four duty stations had increased to 86 per cent in 2009 from 85 per cent in 2008. Meeting cancellations had remained high in New York compared to the other duty stations. In its draft resolution, the Committee urged intergovernmental bodies to review their meeting entitlements and to plan and adjust their programmes of work based on the actual utilization of conference-servicing resources in order to improve their efficient use of conference services.

33. The utilization rates of four intergovernmental bodies had been below the benchmark of 80 per cent for three consecutive years. She had held consultations with the Chair and secretariat of one of those bodies; the Chair had agreed to bring the matter to the attention of the Bureau in order to improve the utilization of conference services. The Committee had communicated with the secretariats of two of the other intergovernmental bodies to notify them of the utilization rates and make suggestions for improvement. In 2010, the utilization rates of those bodies had surpassed the benchmark. A meeting with the Bureau of the fourth body had been impossible owing to its busy schedule; she had provided its Chair with relevant information by letter.

34. Turning to the provision of interpretation services to meetings of regional and other major groupings, she noted that 79 per cent of such meetings had been provided with interpretation services in 2009, compared to 77 per cent in 2008. The draft resolution contained in annex I to the report requested the Secretary-General to continue to employ innovative means to address the difficulties experienced by Member States owing to the lack of conference services for some meetings and to report thereon to the General Assembly through the Committee on Conferences.

35. The Committee had been updated by the Secretariat on the impact of the implementation of the capital master plan on meetings held at Headquarters. There were limitations on accommodating meetings with large numbers of participants owing to reduced room capacity and on accommodating ad hoc meeting requests in excess of core activities owing to a reduced number of rooms. In the draft resolution, the Committee requested all meeting organizers to liaise closely with the Department for General Assembly and Conference Management on the scheduling of meetings to allow maximum predictability in coordinating activities at Headquarters during the construction period.

36. The Committee had been informed that, owing to limited storage space in the North Lawn Building, it would take longer to deliver printed documents. The Department had proceeded with electronic processing and printing on demand as part of its move towards full electronic processing of documents. There was no intention to discontinue the provision of hard copies, however, given the unequal access by Member States to information technology tools. The Committee had requested the Secretary-General to consult Member States on initiatives that affected the utilization of conference services and facilities.

37. Chapter V of the report addressed the issue of integrated global management. The Committee members had attended a presentation on project 2, which included the Electronic Meetings Planning and Resource Allocation System, known as eMeets 2.0, and the interpreters assignment programme, or eAPG module. The Committee welcomed the Secretary-General's efforts to improve the utilization of conference services through the implementation of the project.

38. The Committee had sought information on whether the review of systems and processes across duty stations being conducted by the Department might result in a proposal for reform of the budget structure and whether it was preferable to dissolve section 2 of the budget or maintain the current structure. The Secretariat had informed the Committee that the dissolution of section 2 was not advocated, but its structure could be made more logical. The Committee requested the Secretary-General to report to the

General Assembly at its sixty-sixth session on the efficiency and accountability mechanisms of conference management across the four duty stations.

39. With respect to documentation and publication-related matters, the Committee had discussed at length the Secretary-General's proposal to change the method used to determine the length of documents from page count to word count and the draft resolution recommended by the Committee would have the General Assembly accept the change without prejudice to any of the six official languages. The Committee had received reassurances about the margins of flexibility that would be given to languages other than English on the basis of statistical trends.

40. As to translation- and interpretation-related matters, the Committee had been informed that all four duty stations had made efforts to increase the share of external translation without sacrificing quality. The draft resolution requested the Secretary-General to increase the proportion of translation done contractually where it yielded comparable quality to in-house translation and to report thereon to the General Assembly at its sixty-sixth session.

41. On the issue of the continued difficulty of attracting high-quality interpreters and translators to the United Nations Office at Nairobi and the high percentage of outsourced translation, which required more robust quality assurance, the Committee endorsed the Secretary-General's proposal to upgrade the level of six interpreter and six senior reviser posts from the P-4 to the P-5 level in the context of the proposed programme budget for 2012-2013.

42. The Committee had welcomed the measures taken to address the replacement of retiring staff in the language services, including the strengthening of cooperation with language training institutions. The theme of outreach had been discussed during a videoconference with representatives of offices away from Headquarters. The Committee had noted that memorandums of understanding had not been signed with language institutions in all geographical regions. Its recommendations were contained in section V of the draft resolution.

43. **Mr. Shaaban** (Under-Secretary-General for General Assembly and Conference Management), introducing the report of the Secretary-General on the pattern of conferences (A/65/122), said that the Department for General Assembly and Conference Management had successfully responded to an unprecedented demand for conference services during the first two weeks of the current session. Although the Department stood ready to provide services for meetings mandated by the Assembly, it nonetheless required specific information from Member States regarding the duration and modalities of meetings and documentation requirements in order to be able to carry out its duties efficiently and cost-effectively. Such information would enable the Department to produce the necessary statements of conference-servicing or programme budget implications.

44. The General Assembly might wish to note that meetings in respect of which programme budget implications could not be assessed at the time of adoption of the legislative mandates, owing to lack of information, were identified in the draft revised calendar of conferences and meetings of the United Nations for 2011 (A/AC.172/2010/L.2). The Secretariat would report to the Assembly in accordance with rule 153 of its rules of procedure when the modalities of those meetings had been agreed.

45. With regard to utilization of conference resources, more meetings had been cancelled at New York than at the other duty stations. In some cases, cancellations had disrupted the planning of interpretation services and resulted in a waste of resources, an observation that had been emphasized by the Board of Auditors in its management letter on the Department's Central Planning and Coordination Service. The General Assembly might wish to urge intergovernmental bodies to review their meeting entitlements and to plan and adjust their programmes of work based on the actual utilization of conference-servicing resources in order to improve their efficient use of conference services.

46. The Department continued to seek the most cost-efficient means of service delivery. At its annual coordination meeting in June 2010, it had adopted a "proximity rule" for servicing of meetings held away from the four duty stations. According to that policy, the costs of utilizing staff from different duty stations would be compared and the least costly arrangement would be assembled.

47. The Department continued to face difficulties in accommodating meetings with a large number of participants and ad hoc requests for meeting services because of reduced capacity in the North Lawn

Building. A recent power failure had disrupted meetings; backup systems were being tested in order to avoid such a disruption in the future. Construction activity and closure of access routes at the Headquarters complex had created a serious logistical challenge with regard to the delivery of documents to the various conference rooms. The Department was exploring different proposals to overcome that challenge.

48. Proactive document management had yielded good results and would be implemented at all duty stations. The 2010 coordination meeting had decided that the slotting system would be used at all four duty stations. In the reporting period, a large percentage of the parliamentary documents produced in New York had been issued in a timely manner. The four duty stations would jointly plan work in 2011 in order to improve the timely issuance of parliamentary documents to Member States.

49. In response to the request by the Office of Internal Oversight Services (OIOS) in its report on the audit of conference services put at the disposal of the Human Rights Council in 2009 (A/64/511), annex VIII of the Secretary-General's report set out the guidelines on the word and page limits of documents. After much deliberation, the Committee on Conferences had decided to support the Secretary-General's proposal to shift the measurement of document length from page count to word count.

50. In July 2010, the Publishing Section had installed advanced digital equipment in its print shop. The new machines were fully automatic and could produce bound documents and books of up to 350 pages. The machines had minimal environmental impact, greatly sped up document production and offered the possibility of print-on-demand services.

51. With regard to contractual translation, the Department had clearly understood that Member States wished to see an increase in the proportion of the translation workload that was processed by external translators. The use of contractual translation at all four duty stations had enabled the Department to manage an increased workload without a corresponding increase in resources.

52. The Department's succession planning efforts had been focused on outreach to universities and, in cooperation with the Office of Human Resources Management, streamlining the competitive examinations for the language services. With the anticipated signature in 2011 of additional memorandums of understanding, the Department would have established partnerships with universities that offered language training in all six of the official languages.

53. Despite its inadequate financial and staffing resources for external training, the Department was making every effort to promote and maintain language-related services. In addition to allocating temporary resources to fund a dedicated P-4 level post and a General Service post for training and outreach coordination, the Department used its language staff to carry out outreach activities. Such an arrangement was not sustainable, however, the Department required permanent and dedicated resources if its future outreach efforts were to produce the desired results. He therefore urged Member States to allocate the necessary resources in the biennium 2012-2013.

54. In 2009, the Department's global survey of conference services had been harmonized across the duty stations, and common indicators had been established. Known as the e-Survey, it had been extensively promoted and had been open to delegations of Member States at all four duty stations from 2 to 15 November 2009. Despite the extensive promotional efforts, the number of responses to the survey, as well as attendance at the Department's informational meetings for delegations, had been disappointingly low. He therefore appealed to Member States to respond more enthusiastically in future to such surveys and meetings.

55. Recalling that OIOS, in its evaluation of the Department's integrated global management initiative, had expressed reservations about the quality of the data that had been provided, he said that the Department had worked hard to improve and standardize data collection methodology and the quality of data collected. Intensive efforts at the four duty stations had produced substantive findings and recommendations covering the principal conference management areas. Some of those recommendations had budget implications and would have to be validated by the Programme Planning and Budget Division of the Office of Programme Planning, Budget and Accounts. When adopted, the recommendations would allow further development of the data warehouse, known as project 1, which was designed to support better informed managerial decisions and enhance

transparency and accountability throughout the Department.

56. With regard to project 2, which had been renamed gMeets, he said that the interpreters assignment programme, or eAPG module, had been launched in New York in 2010, making it fully operational at all four duty stations. The other component of gMeets, known as eMeets 2.0, was the new module for planning, scheduling and requesting meetings. Having successfully been launched in Vienna and New York, the module was expected to be in use in Geneva and Nairobi by the end of 2010.

57. Acting in response to General Assembly resolution 64/230, in which the Secretary-General had been requested to ensure the full implementation of the OIOS recommendations on integrated global management, the Department had completed an exhaustive evaluation of the document planning and processing systems at all duty stations. The Department was awaiting the recommendations of its Information Technology Governance Board to determine what actions to take and estimate the resources it would need for that purpose.

58. Although the Under-Secretary-General for General Assembly and Conference Management was accountable for all expenditure under section 2 of the budget, he was not endowed with sufficient authority to manage and disburse resources, both financial and human. The current situation of "accountability without authority" was not a viable management concept for such a large Department. The Secretariat was therefore modifying the relevant Secretary-General's bulletins with a view to establishing clear reporting lines.

59. **Mr. Kelapile** (Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on the pattern of conferences (A/65/484 and Corr.1), said that, with regard to the impact of the capital master plan on the Department's operations, the Advisory Committee re-emphasized the need to take all necessary measures to ensure the full and uninterrupted provision of quality services while work proceeded.

60. With regard to the integrated global management initiative, the Advisory Committee had been informed that, while financial gains had not been the primary objective, some efficiencies had been realized, including savings on airfares and the discontinuation of the use of non-local freelance précis-writers. Notwithstanding the progress that had been made, the Secretary-General indicated that the pace of implementation had remained slow because, to date, integrated global management had been premised on a voluntary and collaborative approach. The Secretary-General proposed, as a remedial measure, that the organizational structure and hierarchical reporting lines within the Department should be revised in order to afford the Under-Secretary-General for General Assembly and Conference Management the authority required to fulfil General Assembly mandates. The Advisory Committee concurred with the approach that had been proposed by the Secretary-General.

61. The Advisory Committee welcomed the introduction of slotting systems at the United Nations Office at Geneva and the United Nations Office at Nairobi, as well as the Department's intention to establish a global dynamic slotting system, which the Advisory Committee trusted would lead to improved capacity planning. It also welcomed the steps taken to deal with additional workload arising from the activities of the Human Rights Council.

62. With reference to the particular concerns that had been expressed by the General Assembly regarding the timely availability of documentation for the Fifth Committee, the Advisory Committee wished to point out that its own compliance with submission guidelines was contingent on both the programme of work of the Fifth Committee and the timely receipt of reports and other documentation originating elsewhere in the Secretariat.

63. In respect of document length, the Advisory Committee had no objection to the General Assembly confirming the shift to measuring the length of documents by word count rather than page count, without prejudice to any of the six official languages of the United Nations. As for the proposal to limit the length of intergovernmental reports to a maximum of 10,700 words, the Advisory Committee emphasized that limits and guidelines on the length of intergovernmental reports must be applied in a reasonable manner in order to ensure optimal quality and content.

64. In order to ease the demographic transition currently affecting the language services, the Department had proposed raising or waiving the mandatory age of separation for language staff. The Advisory Committee was of the view that that proposal

involved human resources policy issues and, as such, should not be addressed in the present context. As a temporary measure, however, the General Assembly might wish to request the Secretary-General to explore the possibility of increasing the number of days that retired language staff were permitted to work beyond the current 125-day ceiling.

65. Lastly, the Advisory Committee emphasized that any savings and/or efficiencies derived from the increased use of contractual translation must not come at the expense of quality and stressed that contractors whose work systematically failed to meet the required standards should be removed from the common roster. The Advisory Committee also recommended that, in his proposed budget for section 2 for the biennium 2012-2013, the Secretary-General should provide a more complete explanation of the Department's finding that quality control should be performed by senior revisers at the P-5 level.

66. **Mr. Al-Shahari** (Yemen), speaking on behalf of the Group of 77 and China, said that the Group wished to commend the Committee on Conferences on the quality of its report and endorsed the recommendations contained therein. The draft resolution submitted in the report would provide a good basis for the negotiations on the item.

67. The Secretary-General's report indicated that the overall utilization of conference services had remained above the established benchmark of 80 per cent. However, the utilization factor in Nairobi had decreased from 100 per cent in 2008 to 90 per cent in 2009 as a result of the use of more standardized statistical reporting. The Group hoped that the Secretary-General would continue to enhance efforts to ensure standardized reporting across all four duty stations with a view to presenting credible and comparable data to the General Assembly. The Group believed that the utilization rate of the conference centre at the Economic Commission for Africa (ECA) could be improved, despite the anticipated competition from other facilities in Addis Ababa or the region.

68. While the Group recognized the work that had been done thus far by the interdepartmental task force on documentation for the Fifth Committee, it remained committed to considering additional measures to ensure compliance with submission deadlines by author departments, as mandated by General Assembly resolution 64/230. Author departments should also comply with the formatting guidelines set out in various General Assembly resolutions, particularly resolution 63/248, section IV, paragraphs 7 and 8.

69. The Group was encouraged by the increase in the proportion of documents that had been submitted on time and commended the Department for ensuring that all documents that had been submitted on time and complied with the limits on length had been processed within four weeks. Although the Group would carefully study the recommendation on shifting the measurement of document length from number of pages to word count, it remained convinced that the General Assembly had already provided adequate guidelines on the length of documents. The Group reiterated that quality of presentation and document content should not be compromised by undue emphasis on document length.

70. The successful implementation of a succession management plan in the language services was of vital importance to achieving the highest standards of quality in translation and interpretation. The Group would closely examine the Secretary-General's proposal for a proactive succession planning programme, including outreach to universities and streamlining of the competitive examination for language services. Although the Group welcomed the outreach programme, it wished to emphasize that the programme should reach out to educational institutions all over the world. The Group would also carefully study the proposal to raise or waive the mandatory age of separation of language staff. However, it acknowledged that the issue could only be addressed within the context of discussions on human resources management.

71. Noting with concern that the consolidated lists of individuals and entities subject to Security Council sanctions had not been translated into all the official languages, the Group would seek further clarification regarding that important matter in informal consultations. The Group was also concerned that, on several occasions, interpreters had made inappropriate comments, which had been heard through the interpretation system, regarding delegates' statements. It therefore called on the Secretariat to take all measures necessary to avoid the repetition of such unfortunate actions.

72. Although the Group agreed that using contractual translation would result in cost savings, quality should

not be sacrificed. The Secretariat must therefore ensure that qualified staff were in place to monitor and control the quality of documents processed externally. The Group was concerned that the United Nations Office at Nairobi lacked revisers and interpreters at the P-5 level to perform that important task. The Group would follow the matter closely when the Secretary-General submitted the proposed programme budget for the biennium 2012-2013.

73. The accelerated implementation of the capital master plan must not adversely affect the quality and availability of conference services or the equal treatment and working conditions of the language services. The Department must ensure uninterrupted service while the plan was being implemented.

74. The Group reiterated the importance of adhering to the guidelines and procedures contained in the administrative instructions concerning the use of United Nations premises for meetings, conferences, special events and exhibits by Member States and the Secretariat, and emphasized that such meetings, conferences, special events and exhibits must be consistent with the purposes and principles of the Organization.

75. The purpose of the integrated global management initiative had been to integrate information technology into the management of conference services and documentation processing with a view to facilitating a balanced division of labour between Headquarters and the other main duty stations. In harmonizing the methods of work, the Department must respect the unique characteristics of each duty station and language group, and observe the principle of equal grade for equal work. Implementation of integrated global management must also comply with relevant General Assembly resolutions.

76. In its resolution 61/236, the General Assembly had recognized the importance of the meetings of regional groupings; it had also recognized that the provision of interpretation was necessary for the smooth functioning of those meetings. Although the percentage of meetings of regional and other major groupings that had been provided with interpretation services at the four main duty stations had been 79 per cent in 2009 as compared to 77 per cent in 2008, there had been a marked increase in the number of meetings for which interpretation services had not been requested. The Group therefore wished to know whether meeting organizers had not requested interpretation services because they genuinely did not require them or because they had wished to avoid having their request denied.

77. **Mr. De Preter** (Belgium), speaking on behalf of the European Union; the candidate countries Croatia and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania, Bosnia and Herzegovina, and Montenegro; and, in addition, Armenia, the Republic of Moldova and Ukraine, said the European Union was concerned that progress in the implementation of integrated global management, while significant, had remained slow. It was therefore necessary to review the current structure of conference management at the four duty stations with a view to achieving full implementation of integrated global management.

78. The European Union welcomed the Secretariat's efforts to avoid the late submission of documents, including Fifth Committee documents, and requested the Secretary-General to continue his efforts in that regard.

79. Adequate conference facilities and the highest standards of language services in all six official languages were essential to the work of United Nations intergovernmental and expert bodies. The European Union therefore welcomed the steps taken by the Secretary-General to address the issue more effectively. It also acknowledged the progress made with regard to reform across the duty stations and noted the comments and recommendations of the Committee on Conferences in that regard.

80. The Secretary-General must ensure that the implementation of the capital master plan did not impair the high quality of language and conference services which Member States justifiably expected. In that connection, the European Union noted that a series of technical difficulties had disrupted language services since the opening of the General Assembly's sixty-fifth session.

81. **Mr. Coffi** (Côte d'Ivoire), speaking on behalf of the Group of African States, said that, although the Secretary-General's report explained that the decreased utilization rate of the conference facilities at the United Nations Office at Nairobi was attributable to the use of more standardized statistical reporting, the Group nonetheless wished to reiterate that the Nairobi Office

should be accorded the same treatment as the other duty stations in order to avoid such discrepancies.

82. The Group was also concerned that the utilization rate of the conference facilities at the Economic Commission for Africa (ECA) had remained unchanged at 76 per cent in 2008 and 2009. More proactive and innovative marketing was required in order to respond to competition from other local and regional conference facilities. The Secretary-General should consider improving the facilities at the ECA conference centre, including historic Africa Hall, which was in dire need of repair.

83. The large number of language staff retiring in the near future was a matter of concern in view of the high vacancy rates in the language services, particularly at the Nairobi Office. That problem was compounded by the lengthy recruitment process for language staff. It was therefore imperative to implement the succession planning programme, which focused on outreach to universities and streamlining of the competitive examination for language services.

84. While the Group welcomed the outreach programme, it was disappointed that the programme had not been made available to educational institutions all over the world at the time of its launch. Moreover, not a single African university was among the institutions that had signed memorandums of understanding with the Department for General Assembly and Conference Management. The Group trusted that the Department would take appropriate action to remedy the situation.

85. The Group welcomed the launch of the Department's "Africa project", which was aimed at building up conference-servicing capacity within African countries. The project would enable the Organization to address the high vacancy rate for language staff, particularly in Africa. In that connection, the Group welcomed the partnerships that had been established with a number of African universities, including the University of Nairobi and the Pedagogical University of Mozambique, and looked forward to the launch of the programme with Nelson Mandela Metropolitan University in Port Elizabeth, South Africa.

86. The Group also commended the Secretary-General for having significantly reduced the high vacancy rate at the Nairobi Office. However, it remained concerned that Nairobi was the only duty station without senior interpreters or revisers at the P-5 level to monitor and control the quality of documentation processed externally. The lack of such senior staff was particularly unfortunate because approximately 40 per cent of all translation at Nairobi was processed by contractual translators. The Group therefore strongly supported the Secretary-General's proposal to remedy the situation in the proposed programme budget for the biennium 2012-2013.

87. With regard to provision of interpretation services to the meetings of regional groupings, the Group noted that the Vienna and Nairobi Offices lacked the capacity to offer that service to such meetings.

88. **Mr. Cumberbatch** (Cuba) said the Organization's conference facilities and services should be used to support communication among the Member States. His delegation therefore reiterated its objection to the use of United Nations facilities by certain States, with the cooperation of the Secretariat, to engage in activities hostile to other Member States. General Assembly resolutions 63/248 and 64/230 notwithstanding, such incidents continued to occur and the Secretariat had taken no action to prevent them.

89. His delegation would seek information on the status of documentation pertaining to the Universal Periodic Review of the Human Rights Council, the translation of which had been delayed at the time of the sixty-fourth session of the General Assembly. It intended to follow closely the steps taken by the Secretariat aimed at avoiding such a situation in the future.

90. His delegation noted with concern that the Secretariat had once again proposed modifying the guidelines for intergovernmental reports and reports based on submissions by Member States. It was not for the Secretariat to interpret or amend Member States' positions. Its role was to implement intergovernmental agreements and faithfully report on discussions among Member States. Such proposals raised the possibility that some United Nations officials wished to manipulate those reports, creating problems for the Secretariat and making discussions among Member States more difficult. As on previous occasions, his delegation rejected the Secretariat's proposals.

91. His delegation would closely follow the Committee's deliberations on issues of particular significance for the work of the Organization, including the use of conference services, the support

given to regional organizations, in particular the Group of 77 and the Non-Aligned Movement, and the impact of the capital master plan on conference services.

92. **Mr. Workie** (Ethiopia) said his delegation commended the Secretary-General's marketing activities aimed at increasing the utilization rate of the conference centre at ECA. His delegation also congratulated ECA management for establishing partnerships with Ethiopian stakeholders aimed at promoting Addis Ababa as a conference and tourism destination. As a result, the utilization rate of the conference centre had reached 76 per cent in 2008 and 2009, as compared with 70 per cent in 2007 and 60 per cent in 2006.

93. While the improved utilization rate was welcome, more work was required to reach the 80 per cent utilization benchmark. In that connection, he said that lack of maintenance had made the conference centre less competitive. Africa Hall, which occupied a unique place in African history, was in need of renovation. The construction boom in Addis Ababa, including the development of state-of-the-art conference facilities, made it more important than ever to pursue aggressive and innovative marketing strategies. His delegation was of the view that the United Nations had yet to exhaust all options to increase the utilization rate of the conference centre, as called for in General Assembly resolution 64/230.

94. His delegation called on the Department, in collaboration with ECA management, to continue to explore all means of increasing the utilization of the conference centre and maintaining its competitiveness.

95. **Ms. Ojiambo** (Kenya) said that her delegation continued to be concerned by the high vacancy rate in the language services at the United Nations Office at Nairobi. Although the vacancy rate had decreased to a tolerable level, sustained efforts were required in order to build on those gains. In that connection, her delegation noted with appreciation that the Nairobi Office had launched a programme to provide practical training for young translators and interpreters who had yet to pass the United Nations exam.

96. Her delegation welcomed the Department's Africa project, which was aimed at enhancing the professional training programmes for translators and interpreters in Africa. She commended African universities for their commitment to work together in order to establish master's programmes in translation and interpretation. Developing partnerships with universities would provide a long-term solution to the issue of the high vacancy rates in the United Nations language services, including, in particular, at the Nairobi Office. The Department should, as a matter of priority, sign memorandums of understanding with the universities participating in the Africa project.

97. She welcomed the Secretary-General's proposal to provide the Nairobi Office with qualified staff to monitor and control the quality of documentation processed externally. However, it was regrettable that, although the Organization had determined that P-5 was the appropriate level for quality control, Nairobi remained the only duty station which lacked posts at that level, despite the fact that approximately 40 per cent of the translation workload at that station was processed externally. Her delegation would follow the matter closely when the Secretary-General submitted the proposed programme budget for the biennium 2012-2013.

98. Her delegation noted with pleasure that, thanks to innovative marketing efforts, the utilization rate of the conference centre at Addis Ababa had increased to 76 per cent. However, that rate was still below the 80 per cent benchmark. Marketing efforts should therefore continue in order to attain the desired rate and respond to competition from local and regional conference facilities.

99. **Mr. Soomro** (Pakistan) said that curtailing any waste of conference resources was crucial, as each hour of fully serviced conference time cost the Organization thousands of dollars. Meetings of regional groups were important to the work of the United Nations and should be given priority in the assignment of conference and language services to the extent possible. Better planning of servicing and room allocation to regional groups during the high-level segment of the General Assembly was required. At the same time, regional groups should show restraint in their requests for meeting services.

100. The slow pace of implementation of integrated global management was disappointing; the process should yield tangible results in the form of more coherent delivery, financial savings and overall improvement in the Organization's conference management systems.

101. Noting that it was the prerogative of Member States and intergovernmental bodies to determine the

length and timing of inputs for documentation, he said that it was regrettable that the target of 90 per cent compliance with document submission deadlines was still not being met. His delegation expected that such efforts as proactive planning and document slotting would yield results and would not be mere exercises in deflecting criticism or diverting the attention of Member States away from the issues. A more rigorous and multipronged approach should be adopted to remedy delays in the submission of documents for consideration by the Fifth Committee; the Assembly's request for accountability mechanisms for late submitters should be pursued. His delegation wished to know why conclusions, summaries and recommendations in documents were not consistently printed in bold, as prescribed by the Assembly.

102. Delegations had faced confusion and difficulty during the high-level segment of the sixty-fifth session because they had not been informed in time of the need for colour-coded passes to attend side events. He wished to have assurances from the Department for General Assembly and Conference Management, as the lead department for conference arrangements, that such problems would not recur in future.

103. Lastly, he inquired about the status of the information and communications technology help desk for delegations.

104. **Ms. Perlanga** (Mexico) said that greater coordination was required among the heads of conference services at the different duty stations to ensure the success of integrated global management.

105. To deal with the demographic transition in the language services, outreach to universities was crucial, as was informing the public about language careers and the required qualifications for translators and interpreters. While good progress had been made in signing memorandums of understanding with universities, the Department should modify its outreach strategy to better inform Member States of how they could cooperate to ensure the training and recruitment of more language staff. It would be useful and cost-effective to diversify the locations at which examinations were administered.

106. Raising the retirement age for language staff would be a stopgap measure that would not solve the problem facing the Department. The issue should be discussed in the framework of human resources management and in the light of the reports of the United Nations Joint Staff Pension Fund and the International Civil Service Commission. Her delegation would look closely at the consequences of allowing retirees to work beyond the current ceiling of 125 days. In that connection, she requested a comparison of the costs of outsourcing translations and raising the ceiling for retirees.

107. With respect to the word limit for reports, a formula was needed that would take into account the differences between languages.

108. **Mr. Shaaban** (Under-Secretary-General for General Assembly and Conference Management), responding to the questions raised by delegations, said that the decrease in the utilization rate at the United Nations Office at Nairobi was partly the result of the introduction of standardized reporting and partly the result of last-minute meeting cancellations. At Headquarters, the Group of 77 had 130 members and therefore required the use of a large conference room for its meetings. The cancellation of meetings by intergovernmental bodies at the eleventh hour prevented the reallocation of meeting rooms to regional groups. He requested the Group to make intergovernmental bodies aware of the issue.

109. The Department had no dedicated resources for the implementation of integrated global management. It did its best to finance the related projects — the $2.5 million cost of project 2, for example — through savings in other areas.

110. The timely issuance of documents depended on adherence to the 10-week rule. Documents that were submitted on time were processed within four weeks.

111. Regarding outreach to universities, he had sent a letter to permanent missions in 2008 requesting them to contact their respective national universities; only nine replies had been received. The Department had no dedicated resources for outreach, but tried to accommodate those universities that contacted it. One obstacle was that United Nations interpreters and translators were required to know two official languages apart from their mother tongue, a requirement that was not always met by students in language programmes.

112. On the issue of inappropriate comments by interpreters, he was aware of only one such incident. Interpreters were obligated not to comment on anything they heard while performing their duties. He requested delegations to inform the Interpretation Service of any incident immediately so that the Service

could take action. The informational meetings organized by the Department each year provided an opportunity for dialogue on any concerns that Member States might have concerning conference-servicing issues.

113. Owing to space constraints, the information and communications technology help desk had been relocated to the meeting services centre on the second floor of the North Lawn Building.

114. With respect to the issue of passes for side events during the high-level segment of the sixty-fifth session of the General Assembly, while it was true that the Department for General Assembly and Conference Management had coordinated with the Department of Safety and Security during the event, the latter Department had the final word on all matters relating to security and passes.

The meeting rose at 1.10 p.m.

United Nations A/C.5/65/SR.5

General Assembly
Sixty-fifth session

Official Records

Distr.: General
28 October 2010

Original: English

Fifth Committee

Summary record of the 5th meeting
Held at Headquarters, New York, on Friday, 8 October 2010, at 10 a.m.

Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: (Ms. McLurg)

Contents

Agenda item 139: Report on the activities of the Office of Internal Oversight Services

Agenda item 128: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

10-57319 (E)

Please recycle

The meeting was called to order at 10.15 a.m.

Agenda item 139: Report on the activities of the Office of Internal Oversight Services (A/65/271 (Part I) and Corr.1 and Add.1 and Add.1/Corr.1)

Agenda item 128: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*) (A/65/329)

1. **Ms. Lapointe** (Under-Secretary-General for Internal Oversight Services) said that she would work diligently to strengthen the effectiveness of the internal oversight function, building on the qualities of leadership and professionalism that her predecessors had established for the Office of Internal Oversight Services (OIOS). Her team, working together with the Senior Management Group, would strive to help address the many challenges currently facing the Organization in a collaborative manner and without compromising the operational independence that afforded OIOS its unique perspective.

2. Introducing the annual report of OIOS (A/65/271 (Part I) and Corr.1 and Add.1 and Add.1/Corr.1), and pointing out that oversight of peacekeeping would be covered in Part II of the report for consideration at the resumed part of the sixty-fifth session, she said that OIOS had issued 1,922 recommendations to improve internal controls, accountability mechanisms and organizational efficiency and effectiveness, in 382 reports, during the period from 1 July 2009 to 30 June 2010. Of those recommendations, 52 per cent had been implemented as of 30 June 2010. The percentage of recommendations implemented within three years of issuance remained consistently high at 95 per cent. Chapter III of the report summarized selected findings from the period under review, classified in seven risk categories.

3. **Mr. Walker** (Chairman of the Independent Audit Advisory Committee), introducing the report of the Independent Audit Advisory Committee (IAAC) on its activities for the period from 1 August 2009 to 31 July 2010 (A/65/329), said that although members of IAAC served on a part-time basis, all members had had a 100 per cent attendance rate at its sessions to date and all their decisions had been unanimous. During the reporting period, IAAC had continued its practice of meeting with a broad range of key United Nations stakeholders, including representatives of Member States, the Secretary-General, the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the Board of Auditors, and had routinely met with the Under-Secretary-General for Internal Oversight Services and the Under-Secretary-General for Management, or their representatives, at each of its sessions. The report contained a preliminary workplan for 2011, based on the responsibilities of IAAC, the United Nations budget cycle, and interactions with ACABQ and the Board of Auditors.

4. While he understood the reasons why several recommendations contained in the annex to the previous IAAC report (A/64/288) relating to OIOS had been deferred for consideration by the General Assembly no later than at the main part of its sixty-sixth session, he stressed that they were of critical importance and should certainly not be deferred beyond the sixty-sixth session. IAAC looked forward to providing additional advice on the relevant issues and would monitor their consideration by the General Assembly. It was to be hoped that the recommendations would be addressed and adopted in a timely manner.

5. Annex I to the report (A/65/329) contained observations, comments and recommendations on the effectiveness, efficiency and impact of OIOS activities. In compiling its risk-based workplans, OIOS needed to take into account the quality and effectiveness of internal controls that management had put into place to mitigate residual risk. IAAC would review the progress made by OIOS in that regard and would report back accordingly. OIOS could also add value to its work and improve its efficiency and effectiveness, by placing greater emphasis on horizontal audits and thematic issues, in order to identify major systemic issues that needed to be addressed by management as a priority. Furthermore, the Office should expedite the issuance of its reports, in order to maximize their value, and should take urgent action to fill the high number of vacant posts, particularly at the D-2 level, since further delays would have an adverse effect on its ability to carry out its programme of work. Although those issues still needed to be addressed, the Office appeared to be making good progress with regard to the quality of its work and adherence to international standards.

6. In Annex II to its report IAAC put forward a number of recommendations for amending its terms of reference. The recommendations would have the General Assembly expand the responsibilities of IAAC to include the review of management's system

accounting for performance results, the provision of advice to the General Assembly on potential changes to accounting policies and disclosure practices, and facilitating the sharing of best practices and lessons learned with other United Nations audit and oversight bodies, consider reducing from five years to three the cooling-off period required for former senior Secretariat officials to be eligible for appointment to IAAC following their separation from service, and for members of IAAC to be eligible for appointment in the Secretariat, and, lastly, consider changing the name to "Independent Accountability Advisory Committee" in line with the General Assembly's new definition of "accountability".

7. IAAC welcomed the decision of the General Assembly, in its resolution 64/259, to establish a clear definition of accountability that included performance results. Annex III to the report contained recommendations for further enhancing accountability in the Secretariat, pursuant to that resolution. Although the General Assembly was not scheduled to discuss the accountability system until its sixty-sixth session, IAAC had agreed that its current report would contain supplementary comments relevant to risk management procedures and the internal control framework that fell within its terms of reference. It also recommended that the Secretariat should develop a clearly defined and well-documented plan for accomplishing the specific actions it planned to undertake in response to Assembly resolution 64/259.

8. Events relevant to the work of IAAC in 2011 included the appointment or reappointment of three of its five members to a new term starting in January 2011; the end of term for two of the five members whose first four-year term expired in December 2011; and the transition in leadership within OIOS following the recent appointment of a new Under-Secretary-General for Internal Oversight Services.

9. **Mr. Al-Shahari** (Yemen), speaking on behalf of the Group of 77 and China, said that, while the Group would like to assure the new Under-Secretary-General for Internal Oversight Services of its cooperation and support in discharging the mandate given to her Office, it was regrettable that her appointment had not been made with due regard for geographical rotation in accordance with the provisions of paragraph 3 (e) of General Assembly resolution 46/232. The Group expected future appointments to be made in conformity with that provision. It was also concerned that overall vacancy rates in OIOS were slightly higher than in the previous year and that the posts of Director of the Investigations Division and Director of the Inspections and Evaluation Division had still not been filled, which continued to adversely affect the Office's work. There was an urgent need for all vacant posts in OIOS to be filled, in full compliance with the principle of gender balance and equitable geographical distribution.

10. The Group, recalling that the Office had an essential role to play in improving internal controls, accountability mechanisms and organizational efficiency and effectiveness, reiterated its support for the operational independence of OIOS, pursuant to General Assembly resolution 48/218 B, and for the Office's role in assisting the Secretary-General to fulfil his internal oversight responsibilities. It also reaffirmed the separate and distinct roles of internal and external oversight mechanisms, and appreciated the Office's regular coordination with the Board of Auditors and the Joint Inspection Unit, as well as its ongoing efforts to strengthen its inspection and evaluation, internal audit and investigation functions.

11. The Group was concerned that, although a number of United Nations entities consistently implemented OIOS recommendations in a timely manner, implementation of many critical recommendations was lagging or management had failed to respond in a timely manner. All departments and entities should cooperate fully with OIOS and implement its recommendations. The Office, for its part, should engage closely with the Secretariat and other United Nations entities to resolve differences before raising issues for deliberation by the General Assembly. The Group noted the oversight findings by risk category contained in the OIOS report and welcomed dialogue between OIOS, IAAC and the Secretariat in strengthening the management of risk. It also looked forward to further discussion on the key findings of the OIOS report with regard to procurement, the capital master plan, the United Nations Compensation Commission, and construction of additional office facilities at the United Nations Office at Nairobi and the Economic Commission for Africa.

12. With regard to the recommendations in the IAAC report regarding the effectiveness, efficiency and impact of its audit activities and other oversight functions, the Group emphasized that any modification to the terms of reference for IAAC remained the sole prerogative of the General Assembly.

13. **Mr. De Preter** (Belgium), speaking on behalf of the European Union; the candidate countries Croatia, Iceland, and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, the Republic of Moldova and Ukraine, said that the new Under-Secretary-General for Internal Oversight Services had all the necessary experience and expertise to undertake that demanding position. He also wished to thank the previous Under-Secretary-General for Internal Oversight Services for her excellent work.

14. The European Union appreciated the clear reporting of OIOS on its annual activities, and welcomed the risk-based approach that it continued to use in establishing priorities for its work, as well as the adjustment of its risk assessment to consider residual risk in its work planning process. The large number of vacant posts in OIOS, especially at the senior management level, must be filled expeditiously. He welcomed the apparent positive trend in implementation of OIOS recommendations and commended the Office for its efforts towards creating a culture of transparency and accountability at the United Nations. The continued close coordination between OIOS, the Joint Inspection Unit, the Board of Auditors and IAAC was also laudable, as it allowed those bodies to avoid duplication in oversight work and discuss issues of common interest. Furthermore, the operational independence of OIOS in discharging its duties was of fundamental interest to the Organization as a whole.

15. The European Union appreciated the work of IAAC and the clear summary of its activities provided in its report. It wished to see IAAC continue to perform its functions as established in General Assembly resolutions 60/248 and 61/275, and would carefully study the detailed comments and recommendations contained in the report, particularly those related to possible changes in the terms of reference.

16. **Mr. Ballantyne** (New Zealand), speaking also on behalf of Australia and Canada, said that the three delegations attached great importance to an effective, highly professional and operationally independent internal oversight function in the United Nations. The mandate of OIOS to provide support and advice to the Secretary-General, while at the same time reporting directly to the General Assembly, represented a tough balancing act, but the three delegations were convinced that under the leadership of the new Under-Secretary-General the partnership between OIOS and the wider Secretariat would enter a new and more constructive phase.

17. The three delegations strongly endorsed the IAAC recommendation that the Secretariat should develop a clearly defined and well-documented plan for taking the actions necessary to implement General Assembly resolution 64/259 in order to bring about tangible improvement of the Organization's accountability framework. The comments made by IAAC in the area of risk management were also very helpful. In particular, the three delegations agreed that the Secretary-General should integrate enterprise risk management into the programme planning process.

18. The current session provided a unique opportunity to fine-tune the mandate of IAAC and thereby ensure that its expert advice was put to the best possible use. In that connection, the three delegations saw merit in the recommendation that Member States should consider expanding the current terms of reference of IAAC to include responsibility for reviewing management's system for accounting for performance results.

19. **Ms. Tan** (Singapore) said that her delegation remained concerned that the principles of geographical rotation and full consultation with Member States had not been respected in the appointment of the new Under-Secretary-General for Internal Oversight Services. The way in which the post had been filled did not set a precedent for future appointments.

20. The need for strong controls, accountability and oversight in the United Nations was greater than ever, given that the scope, volume and complexity of its activities had multiplied since the establishment of OIOS in 1994. It was therefore critical that Member States should monitor the operational independence of OIOS in order to ensure that it fulfilled its functions effectively. Her delegation continued to support the goal of strengthening investigations to combat corruption and other misconduct at all levels in the Secretariat and therefore urged OIOS to remedy urgently the staffing situation in its Investigations Division, as well as to ensure that all investigations were conducted fairly and transparently. IAAC had consistently provided useful insight on how OIOS could improve its work.

21. **Mr. Pankin** (Russian Federation) said that OIOS occupied a unique position in the Organization's oversight

architecture since, although part of the Secretariat, it enjoyed a degree of independence and made its reports available to the General Assembly in their entirety. However, as the Member States met its substantial operating costs, they were entitled to expect it to fulfil its mandate by bringing about a genuine increase in the Organization's accountability and effectiveness.

22. The frequent politicization of the Member States' discussion of OIOS inspections, investigations and recommendations complicated the task of reaching considered and objective decisions on those recommendations, and led in turn to a risk that the Secretariat might fail to take concrete action to remedy the shortcomings highlighted. The number of OIOS recommendations, including priority recommendations, that management had either not accepted or had so far failed to implement had increased. Unless the new Under-Secretary-General addressed the failure to accept certain recommendations, the Member States would find themselves caught between OIOS, which was recommending action to remedy a particular situation, and the programme managers, who were maintaining that OIOS had misinterpreted that situation. The proper functioning of the Organization depended heavily on the establishment of a harmonious working relationship between OIOS and the Secretariat departments.

23. **Ms. Grünenfelder** (Switzerland), speaking also on behalf of Liechtenstein, said that it was reassuring to see the new Under-Secretary-General for Internal Oversight Services at the helm of OIOS at a time when strong leadership was particularly important. The Committee's recent negotiations on the operational independence of OIOS had highlighted differences among Member States regarding the Office's role and position within the Organization, as well as the appointing authority for its senior management. It was to be hoped that the new Under-Secretary-General would be able to provide guidance and suggest solutions to strengthen OIOS; increase its credibility and authority vis-à-vis the Secretary-General and management; and build trust among Member States.

24. With regard to the OIOS annual report, the two delegations welcomed the progress made in terms of the quality of the Office's work and its adherence to international standards; however, they also noted the persistence of certain problems, such as a continued focus on inherent risk rather than residual risk in the work planning process, and very high vacancy rates, which clearly had a negative impact on productivity and effectiveness. The IAAC recommendation that the Office should conduct more audits of cross-cutting and systemic issues had merit, since such audits would enable OIOS to adopt and convey a more strategic perspective on oversight issues and challenges in the United Nations. Such a perspective should have a more prominent place in future OIOS annual reports.

25. The two delegations commended IAAC for the quality of its annual report. The important recommendations that it had recently made in relation to the operational independence of OIOS would serve as key benchmarks when the Committee discussed the issue again. It would therefore be helpful if IAAC could elaborate on them further, taking into account the Committee's previous discussions and relevant recent developments within the Organization. Furthermore, both delegations concurred with the recommendation that the terms of reference for IAAC should be expanded to include a responsibility to review management's system for accounting for performance results, since that would meaningfully complement its current focus on risk. They also shared the concerns of IAAC regarding implementation of the International Public Sector Accounting Standards (IPSAS) project and would welcome a more active role for IAAC members in advising the General Assembly in that regard. Lastly, there was merit in allowing IAAC to share best practices and lessons learned with other United Nations audit and oversight bodies, including audit committees.

26. **Mr. Melrose** (United States of America) said that his delegation looked forward to working with the new Under-Secretary-General for Internal Oversight Services to strengthen the role and functions of OIOS, whose work was of critical importance for the ongoing viability and effectiveness of the United Nations. In that connection, it was encouraging that the new Under-Secretary-General had undertaken to build a more cooperative relationship with OIOS clients and with management in general, while maintaining the Office's operational independence and providing more concise audit and inspection recommendations by concentrating on those matters of greatest significance. His delegation would continue to monitor efforts to strengthen the investigation capacity of OIOS, which had been a matter of concern for some time. Information on efforts to create forensic investigative capacity within OIOS and to fill critical vacancies in its Investigation Division would also be particularly welcome.

27. The recommendations contained in the IAAC report highlighted a number of critical issues, including the urgent need for OIOS to fill Director-level posts; the need for the Office to redefine its risk-based approach to work planning and conduct more cross-cutting audits; and the importance of full and timely implementation of oversight bodies' recommendations. The Committee had an important task before it in reviewing the terms of reference for IAAC; his delegation looked forward to discussing the matter further in informal consultations.

28. **Ms. Jacobsen Takahashi** (Norway), congratulating the new Under-Secretary-General for Internal Oversight Services on her appointment and expressing appreciation for her predecessor's excellent work, stressed that the United Nations must manage its funds effectively, efficiently and with zero tolerance for corruption, fraud or any other misuse of funds. Her delegation expected the Organization as a whole to have appropriate policies and mechanisms in place to prevent such abuses; ensure that funds were used in a consistent manner; and detect, report and address any cases of financial mismanagement. It looked forward to contributing to the follow-up of recent United Nations initiatives in that regard.

29. Bearing in mind that OIOS played a key role in promoting good governance, accountability and transparency in the United Nations, and that its operational independence was closely linked to the Organization's credibility and legitimacy, her delegation agreed that the IAAC recommendations on OIOS were of critical importance and appreciated the offer of IAAC to provide further advice on those issues.

30. OIOS was to be commended for its commitment to the highest standards of professionalism and efficiency. It was important therefore that the financial and personnel resources available to it should be commensurate with its mandate and workplan. Immediate action was also required to fill the Office's vacant posts, particularly at the senior management level.

31. The number of OIOS recommendations, especially critical recommendations, made in the reporting period was staggering and left no room for complacency. Her delegation looked forward to continued transparency on the implementation rate of recommendations, which must be closely monitored. Lastly, it would be helpful if OIOS would elaborate on the reference in the summary of its report to the need for the United Nations to develop an accountability framework.

32. **Ms. Berlanga** (Mexico) congratulated the new Under-Secretary-General for Internal Oversight Services on her appointment and acknowledged the important work that had been carried out by her predecessor. Both OIOS and IAAC had a vital role to play in the Organization's accountability system. In that connection, her delegation trusted that the appointment of the new Under-Secretary-General would help to close existing gaps in accountability and transparency in such areas as evaluation and investigation. It was especially important to establish stricter controls in monitoring the use of financial resources, including more vigorous mechanisms for recovering funds lost through fraud. With regard to the IAAC recommendation that it should be given a responsibility for reviewing management's system for accounting for performance results, an appropriate evaluation of performance at all levels would help the Organization to function more efficiently; the work of IAAC should therefore focus on that objective.

33. Her delegation welcomed the oversight findings by risk category included in the OIOS report. It was important that residual risk should be taken into account in the preparation of workplans. Adequate explanation should be given for the persistently high vacancy rates in OIOS and vacant posts should be expeditiously filled. With regard to the operational independence of OIOS, her delegation supported any measure aimed at improving the accountability and transparency of the United Nations system and would cooperate in informal consultations to find a solution that was acceptable to all delegations.

34. **Ms. Lapointe** (Under-Secretary-General for Internal Oversight Services) said that OIOS was working actively to address in a timely manner many of the concerns that had been raised, particularly with regard to the vacant posts at the D-2 level, as well as all other vacancies. Candidates had in many cases been identified and OIOS would continue to fill vacancies in accordance with the relevant guidelines.

35. Concerning the assessment of risk, OIOS had already moved to a process of reviewing residual rather than inherent risk, since it was indeed impossible to establish a valid risk assessment without considering residual risk and the quality of controls already in place. Furthermore, such risk assessments were being undertaken in collaboration with management; risk registers were handed back to clients so that they could

identify issues requiring closer management within their own operations.

36. Lastly, she agreed that OIOS had an excellent opportunity to conduct more cross-cutting audits, as recommended by IAAC. It would also be important to look at issues addressed in previous reports to see whether, through further analysis, systemic issues could be identified. She looked forward to addressing in informal consultations many of the points raised.

37. **Mr. Walker** (Chairman of the Independent Audit Advisory Committee) reiterated the importance of the Assembly's taking up the IAAC recommendations that had been deferred, especially those dealing with the operational independence of OIOS. He looked forward to discussing in informal consultations the issues raised in the IAAC report.

The meeting rose at 11.20 a.m.

United Nations A/C.5/65/SR.6

General Assembly
Sixty-fifth session

Official Records

Distr.: General
28 October 2010

Original: English

Fifth Committee

Summary record of the 6th meeting
Held at Headquarters, New York, on Tuesday, 12 October 2010, at 10 a.m.

Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

Contents

Agenda item 131: Improving the financial situation of the United Nations

Agenda item 129: Programme budget for the biennium 2010-2011

United Nations Office for Partnerships

Agenda item 138: Administrative and budgetary coordination of the United Nations with the specialized agencies and the International Atomic Energy Agency

Budgetary and financial situation of the organizations of the United Nations system

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

10-57644 (E)

Please recycle

The meeting was called to order at 10.10 a.m.

Agenda item 131: Improving the financial situation of the United Nations

1. **Ms. Kane** (Under-Secretary-General for Management), accompanying her statement with a computerized slide presentation, said that she would focus on four main financial indicators: assessments issued, unpaid assessed contributions, available cash resources and debt to Member States. The overall picture was mixed, although there had been improvement in some areas.

2. As to the regular budget, she noted that the level of assessments and payments had both been lower in 2010 than in 2009, by $332 million and $371 million respectively. Unpaid assessed contributions had amounted to $787 million as at 5 October 2010, compared to $830 million a year earlier. As at 5 October 2010, 119 Member States — one less than on 13 October 2009 — had paid their regular budget assessments in full. She urged the remaining Member States to pay their assessed contributions for 2010 as soon as possible. Of the total of $787 million outstanding as at 5 October 2010, 88 per cent had been owed by a single Member State, 9 per cent by four other Member States and 3 per cent by the remaining Member States. The final picture for 2010 would depend on action taken by those States in the months that followed.

3. Cash resources for the regular budget comprised the General Fund, into which assessed contributions were paid, the Working Capital Fund, which had been approved at a level of $150 million by the General Assembly, and the Special Account. As at 5 October 2010, the total cash resources available had stood at $897 million, compared to $918 million on 31 December 2009. According to the projections there would be a positive cash balance at the end of December 2010, but the final position would depend on action by the major contributors.

4. A number of factors made it difficult to predict financial outcomes for peacekeeping activities: demand was unpredictable; the financial period for peacekeeping ran from 1 July to 30 June rather than from 1 January to 31 December; assessments were issued separately for each operation; and, since assessments could only be issued through the mandate period approved by the Security Council for each mission, they were issued for different periods throughout the year. All those factors complicated a comparison between the financial situation of peacekeeping operations and that of the regular budget and the International Tribunals.

5. The total amount outstanding for peacekeeping operations as at 5 October 2010 had been $3.2 billion, approximately $1.3 billion higher than at the end of 2009 and $1.1 billion above the level as at 13 October 2009. That amount included assessments for the United Nations Mission in Liberia (UNMIL), totalling some $408 million, which had been issued recently and were still within the 30-day due period. The higher level of unpaid peacekeeping assessments was also partly related to the higher level of assessments in 2010, amounting to $9.5 billion as compared to $5.7 billion in 2009. It had been possible to issue assessments for the last half of 2009/10 only in January 2010, after adoption of the Assembly's decision on the new rates of assessment.

6. Owing to the unpredictable levels and timing of peacekeeping assessments, it could be more difficult for Member States to keep fully current with their payments. The 11 Member States that had paid all their peacekeeping assessments as at 5 October 2010 and the 2 Member States that had subsequently paid in full therefore deserved special thanks.

7. The cash balance in peacekeeping accounts had stood at some $4.5 billion as at 5 October 2010. That amount was divided among the accounts of a number of ongoing and closed operations and the Peacekeeping Reserve Fund, but there were restrictions on its use. The General Assembly routinely specified that no peacekeeping mission should be financed by borrowing from other active missions, and the terms of reference of the Peacekeeping Reserve Fund restricted its use to new operations and the expansion of existing operations. Further, only some of the cash available in the accounts of closed peacekeeping operations was available for borrowing.

8. As at 5 October 2010, cash in the accounts of active missions had totalled approximately $3.9 billion, the Peacekeeping Reserve Fund had had a balance of $141 million and the accounts of closed missions had totalled $435 million. According to current estimates, a total of $3.4 billion would be available in peacekeeping accounts at the end of 2010, with approximately $2.8 billion in the accounts of active missions, $435 million in the accounts of closed

missions and $141 million in the Peacekeeping Reserve Fund.

9. Of the $435 million expected to be available in the accounts of closed missions at the end of 2010, $192 million had been set aside for payment of outstanding liabilities, such as troop and equipment payments and credits to be returned to Member States. That left only $243 million available for cross-borrowing by active peacekeeping operations and for other accounts, including the regular budget and the International Tribunals. With increased liquidity in peacekeeping missions, the need for such cross-borrowing had declined in recent years; that trend could reverse, however, given the unpredictability of receipts. Compared to 2008, when cross-borrowing from the accounts of closed missions had been required for seven active operations for a total of $148 million, in 2009 cross-borrowing had been required for four active operations, namely the United Nations Mission for the Referendum in Western Sahara (MINURSO), the United Nations Operation in Côte d'Ivoire (UNOCI), the United Nations Observer Mission in Georgia (UNOMIG) and the United Nations Integrated Mission in Timor-Leste (UNMIT), for a total of $49 million. So far in 2010, cross-borrowing totalling $29 million had been required for MINURSO and UNMIT.

10. Revised projections of the Organization's debt to Member States suggested that the amount outstanding would total some $430 million at the end of 2010, which was lower than the projection of $525 million made in May and the amount of $775 million outstanding as at 31 December 2009. New obligations had increased in 2010, mainly due to deployments of troops in the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and of additional military contingent and formed police units in the United Nations Stabilization Mission in Haiti (MINUSTAH), but had been partly offset by a reduction in the deployed military strength of the United Nations Interim Force in Lebanon (UNIFIL) and UNMIL. A breakdown of the amounts owed to individual Member States as at 8 October 2010 was being circulated.

11. Payments in respect of troop obligations had been broadly current up to August 2010 for all active missions, while payments in respect of contingent-owned equipment were current up to June 2010. That represented a significant improvement from the situation a year earlier. The Secretariat would continue to monitor the situation and would maximize the quarterly payments according to the cash available. The Secretary-General was committed to meeting the Organization's obligations to troop and equipment contributors as expeditiously as possible. To that end, Member States must meet their financial obligations to the United Nations in full and on time and the relevant memorandums of understanding must be finalized.

12. The financial position of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia had improved slightly in 2010, with assessments lower than in 2009 and the amount outstanding lower by $13 million. As at 5 October 2010, 88 Member States had paid their assessed contributions in full — 5 more than as at 13 October 2009 — and she urged the remaining Member States to follow their example. The breakdown of unpaid assessed contributions showed that one Member State accounted for 68 per cent of the total, three Member States accounted for 16 per cent and the remaining Member States accounted for 16 per cent. If recent trends continued, the Tribunals would end the year with positive cash balances. Once again, however, the actual outcome would depend on Member States meeting their financial obligations in full and on time.

13. Recalling that the Assembly had approved a total budget of $1.9 billion for the capital master plan, she said that 180 Member States were under the multi-year payment system, while 12 Member States had opted for one-time payment. As at 5 October 2010, payments totalling $1.4 billion had been made, with $84 million still outstanding. A number of Member States that had not opted for one-time payment had nevertheless made advance payments. She thanked the 113 Member States that had paid their capital master plan assessments and urged all Member States to pay their assessed contributions in full and on time to ensure the timely implementation of the plan.

14. In conclusion, she paid special tribute to the 12 Member States that had paid in full all assessments due and payable by 11 October 2010. The financial indicators for 2010 were mixed: cash positions were projected to be positive at year-end for all funds, although the final outcome would depend on contributions made in the last quarter. Debt to Member States was projected to decrease significantly compared to the level at the end of 2009. Unpaid assessments had decreased compared to a year earlier for all budget categories except peacekeeping, although

the increase in unpaid assessments in the latter case was due to the higher level of assessments in 2010. Amounts outstanding continued to be highly concentrated with a few Member States for all budget categories except peacekeeping, for which the degree of concentration had declined in recent years. More than 100 Member States had become registered users of the online portal launched by the Secretariat to provide updated information on the status of contributions; she urged other Member States to do the same. It remained as critical as ever for Member States to meet their financial obligations in full and on time.

Agenda item 129: Programme budget for the biennium 2010-2011

United Nations Office for Partnerships (A/65/347)

15. **Mr. Rich** (Officer-in-Charge, United Nations Office for Partnerships), introducing the report of the Secretary-General on the United Nations Office for Partnerships (A/65/347), said that the Office had three components: the United Nations Fund for International Partnerships; the United Nations Democracy Fund; and advisory services on partnerships.

16. In 2009, funding of the United Nations Fund for International Partnerships had surpassed the $1 billion mark, in keeping with the original commitment made by Ted Turner's United Nations Foundation. The Foundation had decided to continue its work with the United Nations, drawing on both the core funding provided by Mr. Turner and on funding generated by third parties. In the area of children's health, the Foundation had focused on projects on malaria prevention, measles vaccination and polio eradication. Other areas of attention included the environment, particularly world heritage conservation, and population and women's empowerment, through support for the United Nations Inter-Agency Task Force on Adolescent Girls and the Coalition for Adolescent Girls.

17. The United Nations Democracy Fund, which was supported by voluntary contributions from Member States, had conducted its third round of funding in 2009. The Fund had supported a total of 271 projects — 207 national, 47 regional and 17 global — that dealt mainly with strengthening civil society leadership, promoting the participation of women and youth, and supporting media programmes that gave a voice to civil society. The 67 projects approved in 2009 were in the areas of community development, women's empowerment, the rule of law and human rights, tools for democratization, media, strengthening instrumentalities of government, and youth.

18. The Office also provided partnership advisory services, conducted outreach, and fostered innovative strategies to engage non-State actors that wished to work with the United Nations system. Its primary role was to encourage the private sector, civil society and philanthropic foundations to contribute to the Organization. The Office had received more than 1,400 requests for such services in 2009, a 40 per cent increase over the previous year. It was hoped that the demand would level off, as the Office had a small staff that was not expected to grow.

19. **The Chair** suggested that the Secretariat should prepare a draft decision whereby the Committee would recommend that the General Assembly should take note of the report of the Secretary-General on the United Nations Office for Partnerships (A/65/347).

20. *It was so decided.*

Agenda item 138: Administrative and budgetary coordination of the United Nations with the specialized agencies and the International Atomic Energy Agency

Budgetary and financial situation of the organizations of the United Nations system (A/65/187)

21. **Mr. Herman** (United Nations System Chief Executives Board for Coordination), introducing the note by the Secretary-General transmitting the statistical report of the United Nations System Chief Executives Board for Coordination (CEB) on the budgetary and financial situation of the organizations of the United Nations system (A/65/187), said that the report was the only system-wide source of financial statistics for the organizations of the United Nations system based on official data contained in the organizations' audited financial statements.

22. In response to growing demand for system-wide financial information by Member States, the public, the press and, increasingly, the United Nations system organizations themselves, the CEB secretariat had made significant efforts to improve the quality, comprehensiveness and reliability of the data published, with the support of the Finance and Budget Network of the High-level Committee on Management.

The report also responded to the many calls to provide an updated, accessible, clear and reliable presentation of the financial resources available to the United Nations system as a whole and of contributions received by all organizations both under their regular budgets and from extrabudgetary sources. The report before the Committee continued the practice of including comprehensive data on income and expenditure related to extrabudgetary resources from Governments and non-State donors; additional emphasis had been placed on ensuring the accuracy of the data. As a preliminary output responding to General Assembly resolution 63/311 on system-wide coherence, the tables and data, analysis of the figures, charts showing trends across recent years, and snapshots of the distribution of extrabudgetary resources by country, organization and donor type would be made available on the CEB secretariat's website. Participation in the July 2010 survey had been excellent, with 31 organizations responding. Participating organizations had also validated the data provided previously in order to refine its quality across the entire time frame covered by the survey. The data contained in the CEB database on four consecutive bienniums made it the most complete record of the organizations' financial situation and the most publicly available. The increasing number of hits on the CEB website, and the increasing number of queries about the information provided, confirmed the growing interest in the survey, which now contained considerable detail on extrabudgetary resources.

23. The tables, which covered regular budget and extrabudgetary resources, total expenditure, assessed contributions and working capital funds, were accompanied by footnotes that clarified individual figures and provided general explanations of the scope and interpretation of the data presented.

24. **The Chair** suggested that the Secretariat should prepare a draft decision whereby the Committee would recommend to the General Assembly that it should take note of the note by the Secretary-General transmitting the statistical report of the United Nations System Chief Executives Board for Coordination on the budgetary and financial situation of the organizations of the United Nations system (A/65/187).

25. *It was so decided.*

The meeting rose at 10.50 a.m.

United Nations A/C.5/65/SR.7

General Assembly
Sixty-fifth session

Official Records

Distr.: General
1 November 2010

Original: English

Fifth Committee

Summary record of the 7th meeting
Held at Headquarters, New York, on Friday, 15 October 2010, at 10 a.m.

Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

Contents

Agenda item 133: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*)

Agenda item 138: Administrative and budgetary coordination of the United Nations with the specialized agencies and the International Atomic Energy Agency (*continued*)

Agenda item 127: Financial reports and audited financial statements, and reports of the Board of Auditors

Agenda item 129: Programme budget for the biennium 2010-2011 (*continued*)

Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

10-58551 (E)

Please recycle

The meeting was called to order at 10.15 a.m.

Agenda item 133: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*) (A/C.5/65/L.3)

Draft resolution A/C.5/65/L.3: Scale of assessments for the apportionment of the expenses of the United Nations

1. **Mr. Chumakov** (Russian Federation) said that the report of the Committee on Contributions was not balanced and a number of the General Assembly's instructions had not been carried out. If that imbalance and failure to implement the Assembly's instructions were to recur in the report submitted by the Committee the following year, his delegation would not be in a position to take note of that report.

2. *Draft resolution A/C.5/65/L.3 was adopted.*

3. **Mr. De Preter** (Belgium), speaking on behalf of the European Union; the candidate countries Croatia, Iceland and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, the Republic of Moldova, said that a fair and balanced sharing of budgetary responsibilities was essential to the effective functioning of the United Nations. Although the most vulnerable countries should be spared from making contributions that were beyond their capacity to pay, all Member States with the capacity to do so should assume a larger share of the Organization's expenses so that the distribution of costs reflected economic reality more accurately. The adoption of General Assembly resolution 64/248 by consensus attested to the fact that the current methodology did not mirror that reality.

4. It was regrettable that the Committee on Contributions tended to act along the same polarized lines as did the Fifth Committee, whereas its primary role should be to provide a technical assessment to inform policymaking decisions that were within the Assembly's sole purview. The current report of the Committee on Contributions was therefore an important element, but not the only one, in the implementation of General Assembly resolution 64/248, in which the Assembly had decided to review all elements of the scale methodology. That review — which would clearly transcend consideration of the Committee's current report — should go forward in due course.

5. **Mr. Al-Shahari** (Yemen), speaking on behalf of the Group of 77 and China, welcomed the adoption of the draft resolution, which would allow the Committee to turn its attention to the other pressing issues before it. He reaffirmed that all budgetary, financial and administrative matters of the United Nations must be discussed solely within the framework of the Fifth Committee, in conformity with its mandate under the Charter, and recalled that the General Assembly, in its resolution 64/258, had approved the scale of assessments for 2010-2012 on the basis of the current methodology. The Group reaffirmed the principle of capacity to pay as the fundamental criterion in the apportionment of the expenses of the Organization and rejected any changes to the current methodology aimed at increasing the contributions of developing countries. The core elements of that methodology, including the base period, gross national income, conversion rates, low per capita income adjustment, gradient, floor, least developed countries ceiling and debt-burden adjustment, must remain intact and were not negotiable. The current maximum ceiling, which had been fixed as a political compromise, was contrary to the principle of capacity to pay and caused distortion in the scale of assessments. The General Assembly should review that arrangement in accordance with General Assembly resolution 55/5 C.

Agenda item 138: Administrative and budgetary coordination of the United Nations with the specialized agencies and the International Atomic Energy Agency (*continued*) (A/C.5/65/L.4)

Draft decision A/C.5/65/L.4: Budgetary and financial situation of the organizations of the United Nations system

6. *Draft decision A/C.5/65/L.4 was adopted.*

Agenda item 127: Financial reports and audited financial statements, and reports of the Board of Auditors (A/65/5 (Vols. I, III and Corr.1, IV) and Add.1-12, A/65/169, A/65/296 and Add.1 and A/65/498)

7. **Mr. Vanker** (Chair of the Audit Operations Committee of the Board of Auditors), introducing the Board of Auditors' reports to the General Assembly at its sixty-fifth session, said that, as the only independent external auditor of the United Nations, the Board sought to communicate clear messages to ensure that audit issues were resolved, recommendations were implemented and legislative bodies received independent

commentary on important matters. The audit report, by addressing the root causes of issues, could be a strong agent for improvement, in conjunction with the efforts of administrations and oversight bodies.

8. The Board conducted its audits and presented its reports in accordance with the International Standards on Auditing. Those reports followed a consistent layout and addressed many topics transversally. Fifteen reports concerned the financial statements of the United Nations and of its funds and programmes for the biennium ended 31 December 2009; one report, on the voluntary funds administered by the United Nations High Commissioner for Refugees, related to the year ended 31 December 2009; and one report, which would be introduced at a later date, was the Board's annual report on the capital master plan. The main findings of all those reports were summarized in a separate report (A/65/169).

9. Nine of the reports on the financial statements reflected unmodified audit opinions, indicating that there were no material issues affecting the fair presentation of the financial statements. In the case of the United Nations Population Fund (UNFPA), however, the Board considered that a deficiency in the management of nationally executed expenditure constituted a significant risk. The Board had therefore issued a qualified audit opinion on the financial statements of UNFPA.

10. In the remaining six reports, and in the report on UNFPA, the Board drew attention through an emphasis of matter to several issues that must be addressed urgently, including the funding of end-of-service and post-retirement liabilities, and losses on investments — both realized and unrealized — due to the recent global market turmoil. The detailed reports also reflected several matters of general concern: the delay in implementation of the International Public Sector Accounting Standards (IPSAS), which had been pushed back from 2012 to 2014 in the Secretariat, mainly because the new enterprise resource planning system was not in place; disclosure and funding of after-service health insurance and end-of-service liabilities, given that some organizations might not be able to discharge their liabilities as and when they fell due unless funding strategies were considered; the lack of uniformity with respect to nationally executed expenditure; and deficiencies in the management of expendable and non-expendable property, especially with regard to record-keeping, periodic physical verifications, reconciliations, investigation of discrepancies and taking prompt corrective action. In addition, the reports contained some 500 findings and recommendations on such matters as programme expenditure, procurement, and information and communications technology.

11. With respect to follow-up on previous recommendations, the Board had found that out of a total of 518 recommendations made in the biennium 2006-2007, 59 per cent had been fully implemented, 33 per cent had been partially implemented, 3 per cent had not been implemented and 5 per cent had been overtaken by events. There had been little change in the overall implementation rate; the Board was confident that administrations would implement all outstanding recommendations and was pleased to note that the Secretary-General's related report indicated that further progress had been made.

12. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations and the funds and programmes for the financial period ended 31 December 2009 (A/65/296 and Add.1), indicated that document A/65/296 contained information on the United Nations and the capital master plan, while its addendum, A/63/296/Add.1, contained information on the United Nations funds and programmes.

13. Every effort had been made to comply with the General Assembly's repeated requests to indicate time frames, priorities, the office holders responsible for the implementation of recommendations and the reasons for delays in the implementation of recommendations from prior periods. Programme managers were responsible for setting target dates for the implementation of recommendations; those dates were reflected in the reports before the Committee. In some cases, the target date depended on the implementation of IPSAS or enterprise resource planning. In accordance with General Assembly resolution 48/216 B, the Secretary-General had indicated where action was required by the Assembly to implement a recommendation. Pursuant to General Assembly resolution 52/212 B, department heads and programme managers bore responsibility for implementation; it was normal practice, however, for them to assign actual implementation to lower-level staff in their departments and offices. With regard to prioritization, the Board categorized its most important

recommendations as "main" recommendations. While all accepted recommendations would be implemented in a timely manner, the main recommendations would be given highest priority.

14. Efforts had been made to streamline the Secretary-General's report. Since the Administration provided the Board of Auditors with comments on its findings and recommendations, the comments in the present report were limited to those areas that call for further clarification. In accordance with General Assembly resolution 62/223 A, additional information was provided on all recommendations from prior periods that the Board had considered not fully implemented.

15. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee on Administrative and Budgetary Questions (A/65/498), said that the concise summary of findings prepared by the Board of Auditors would be of particular interest to Member States as the United Nations and its entities embarked on new reform initiatives. The number of cross-cutting issues that remained unresolved was a matter of continued concern. With the impending implementation of IPSAS, the United Nations and its entities would face additional operational and reputational risks in the coming bienniums. The failure to address existing issues highlighted the need for greater senior management focus and accountability; enhanced efforts must be made to minimize the risks to the Organization.

16. In view of the Board's critical audit opinion with respect to UNFPA, the Advisory Committee had met with Fund officials, who had stated that remedial measures had been initiated to address the concerns raised by the Board.

17. Overall, the Advisory Committee had found three major issues of concern. The most serious related to the implementation of IPSAS, which would entail changes in policy, procedure and business practices and would affect several entities. Senior management must show strong leadership to ensure the timely completion of preparations and to forestall any further slippage in the implementation dates. IPSAS must be implemented in a manner that remedied the current divergences of accounting policies among United Nations entities. Since the Board of Auditors was uniquely placed to help ensure that uniformity was achieved, the Advisory Committee encouraged the Board to provide advice and guidance on matters of interpretation when requested by the United Nations or its entities. In addition, under IPSAS, the Board would be required to produce its final audits annually rather than biennially. Member States would have to consider the impact on the Board's role, resources and reporting modalities as the implementation date approached. Given the importance of the issue, the Advisory Committee recommended that the Board should report to the General Assembly annually on progress towards the implementation of IPSAS.

18. The second issue was improper accounting for non-expendable property. While the Board had noted some improvement in that area, it was imperative for senior management to take timely and appropriate action to address weaknesses in such accounting, which represented a clear financial risk that would become even more acute once the stricter reporting and disclosure requirements for non-expendable and expendable property under IPSAS came into effect.

19. Lastly, the weaknesses identified by the Board in the implementation of results-based budgeting were a matter of particular concern and mirrored similar findings by oversight bodies over a number of years. Greater efforts were needed if results-based budgeting was to provide the intended benefits; any move to results-based management would be compromised if the current problems were not remedied.

20. **Mr. Al-Shahari** (Yemen), speaking on behalf of the Group of 77 and China, said that the Group generally concurred with the findings and recommendations of the Board of Auditors and wished to hear from the Secretariat why the implementation rate of the Board's recommendations had decreased from 64 per cent for the biennium 2004-2005 to 59 per cent for the biennium 2006-2007. Entities that had not fully implemented the recommendations should do so, with a focus on recurring and outstanding recommendations.

21. The Group welcomed the Board's efforts to enhance its cooperation with the Office of Internal Oversight Services and the Joint Inspection Unit.

22. It was a matter of concern that four out of the seven modified audit opinions issued by the Board identified weaknesses in the management of non-expendable property, an issue that the Board had

repeatedly highlighted. An emphasis of matter indicated not only an accounting but also a management issue that required stricter internal control and accountability by administrations.

23. The fact that eight funds and programmes had improved the status of their audit opinions in the biennium 2008-2009 — including the United Nations Office for Project Services, which had obtained an unqualified opinion for the first time since 1999-2000 — demonstrated that organizational reform and operational discipline could yield improvement.

24. The Group noted with concern the delay in the implementation of IPSAS to 2014 for the United Nations and to 2012 for other entities. It would seek clarification from senior management of the reasons for the delay and measures to be taken to ensure the timely implementation of the Standards, and concurred with the Advisory Committee that the Board of Auditors should report annually on progress.

25. In addition, the Group would seek further information regarding the changes in administrations' methods of estimating after-service health insurance liabilities and the impact of proposed action to fund those liabilities, and regarding the impact on programme delivery of the high cash and investment holdings of the United Nations and its funds and programmes and measures to address the management of those holdings.

26. With respect to the Board's qualified opinion on the financial statement of UNFPA owing to shortcomings in the reporting of nationally executed expenditure, the Group noted that the Fund was a decentralized organization, that such expenditure was inherently complex and that UNFPA had initiated corrective measures that would take full effect in 2011.

27. **Mr. De Preter** (Belgium), speaking on behalf of the European Union; the candidate countries Croatia, Iceland, and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, the Republic of Moldova and Ukraine, said that the European Union, which attached great importance to the role of the Board of Auditors, welcomed the positive change in the status of the audit opinions for the International Tribunal for the Former Yugoslavia and the United Nations Office for Project Services (UNOPS), among other United Nations entities. However, it noted with concern that the Board had issued a qualified audit opinion for the United Nations Population Fund (UNFPA) owing to weaknesses in the nationally executed expenditure modality audit process. It was also particularly concerned at the improper accounting for asset management, particularly with regard to non-expendable property, which had been a matter of emphasis for the Board in several previous reports.

28. It was regrettable that all the entities had delayed implementation of IPSAS to January 2012, and that the United Nations and related entities had further delayed their implementation to January 2014. The European Union reiterated the importance of achieving successful implementation of those standards. To that end, the Board should continue to review the implementation process in a timely manner.

29. The European Union noted with interest the information provided by the Board on the implementation of its recommendations relating to the biennium 2006-2007. Although some organizations had recorded relatively high rates of implementation, it was worrying that, compared with the previous biennium, the overall implementation rate had decreased. The importance of implementing the Board's recommendations should once again be stressed.

30. **Mr. Melrose** (United States of America) said that his delegation generally supported the conclusions of the Board of Auditors and the Advisory Committee and considered that the Committee should accept the Board's reports. He commended those organizations that had made considerable improvements since the last audit of their financial statements, particularly the Office of the United Nations High Commissioner for Refugees and the International Tribunal for the Former Yugoslavia, and urged them, as well as all other United Nations organizations, to continue to implement fully the Board's recommendations, prioritizing areas where the Board had indicated an emphasis of matter.

31. His delegation was concerned at the findings that had given rise to a qualified audit opinion for UNFPA, especially the troubling lack of sufficient supporting documentation for expenditures, which left the Fund's resources unnecessarily vulnerable to fraud and waste. His delegation urged the Fund to address the Board's recommendations without delay; it would also be helpful to know what corrective measures were being taken. The treatment of non-expendable property by the United Nations and its funds and programmes, and

the Board's repeated recommendations on that subject, remained a further matter of concern. Bearing in mind that the inability to locate and properly account for non-expendable property represented a serious lapse in accountability, he called on all organizations to take immediate action to address the issue, in order to give donors confidence that their contributions were being utilized efficiently and effectively.

32. His delegation was concerned at the amount of cash and investment holdings in the United Nations and its funds and programmes, which currently totalled about $18 billion, and would continue to monitor the situation. As noted by the Board in its report (A/65/169), management of those funds was a significant responsibility of the administrations, which must ensure the existence of strong internal controls to prevent fraud, waste and abuse of funds, since such large cash balances exposed the Organization to significant financial risk. His delegation encouraged the Board to continue to include information on cash and investment holdings in future reports.

33. The slowness of the efforts made by various United Nations agencies to prepare for the implementation of IPSAS was disappointing, since if appropriate measures were not taken immediately, the United Nations as a whole would fail to meet the Standards by a significant margin. Important decisions would also have to be made on how to address accrued after-service health insurance and end-of-service liabilities, bearing in mind that the implementation of IPSAS would change how they were recorded in the financial statements. It was imperative for the United Nations to take a balanced approach to meeting its obligations in a financially prudent manner. Lastly, recalling that full disclosure was a matter of good governance, he drew attention to the Board's recommendation to the United Nations Joint Staff Pension Fund regarding the need for enhanced description and disclosure in the financial statements of underlying realized gains and losses, as well as unrealized positions.

34. Effective oversight, such as that performed by the Board, could only make the Organization's activities stronger, as improperly disbursed funds could be recovered, inefficient practices could be terminated, and culpable officials could be held accountable. His delegation therefore called on managers to implement the Board's recommendations expeditiously.

Agenda item 129: Programme budget for the biennium 2010-2011 (*continued*)

Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict (A/64/7/Add.23 and A/64/763)

35. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on revised estimates relating to the programme budget for the biennium 2010-2011 for the Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict (A/64/763), said that the report reflected a requirement for nine new posts to be established effective 1 July 2010, for which additional resources in the amount of $1,232,800 had been requested. However, owing to the delay in considering the report, those additional resource requirements would need to be revised based on the number of posts that were actually approved and their effective date. The full costing of the proposed nine new posts in the biennium 2012-2013 was currently estimated at $3,326,200. In addition to the post resources, the Office would require resources for consultants, staff travel and operational expenses related to the establishment of the posts. The overall resource requirements would represent a charge against the contingency fund for the biennium 2010-2011.

36. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the revised estimates relating to the programme budget for the biennium 2010-2011 for the Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict (A/64/7/Add.23), said that the Advisory Committee recommended approval of the establishment of seven of the nine posts proposed, considering that the functions of two posts could be performed by the incumbents of the other posts at those levels. It also recommended approval of the non-post resources requested.

37. The Advisory Committee was disappointed that the Secretary-General appeared not to have followed established procedures in creating an extrabudgetary post at the Under-Secretary-General level without the Advisory Committee's prior concurrence; it trusted that such situations would be avoided in future. It also considered that the information contained in chapter III of the Secretary-General's report on the functions of

the new Office of the Special Representative was rather general. Consequently, it expected that the Special Representative would, at the earliest opportunity, develop a workplan for the biennium 2010-2011 and provide the Assembly with information about the activities she intended to undertake.

38. **Mr. Al-Shahari** (Yemen), speaking on behalf of the Group of 77 and China, said that, while the Group welcomed the Secretary-General's budget proposal for the Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict, it was deeply concerned that the appointment of the new Special Representative had violated the provisions of General Assembly resolution 35/217, pursuant to which the establishment of all extrabudgetary posts at the D-1 level and above was to be subject to the Advisory Committee's concurrence. The Group requested a detailed explanation of the reasons why that procedure had not been followed and called for greater transparency and accountability in the use of extrabudgetary resources, which should be managed with the same rigour as regular budget funds.

39. In view of the recent establishment of the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the work of the Special Representative of the Secretary-General for Children and Armed Conflict, it was to be hoped that the Secretary-General would take all necessary steps to ensure maximum cooperation, coordination and integration of efforts among those entities and the Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict, in order to avoid duplication and overlap. It requested the Advisory Committee, in the context of its forthcoming report on UN Women, to consider any structural challenges that might arise in that regard.

40. **Mr. Yamada** (Japan) welcomed the appointment of the Special Representative of the Secretary-General on Sexual Violence in Conflict and said he hoped that she would implement the mandates conferred on her by the Security Council in its resolution 1888 (2009). His delegation concurred with the Advisory Committee that the information provided in the Secretary-General's report, particularly in chapter III, was rather general; further details about the activities of the Office of the Special Representative and its workplan for the biennium 2010-2011 would therefore be helpful. An explanation of the roles envisaged for the nine requested posts should also be provided.

41. Recalling that, in its resolution 1888 (2009), the Security Council, taking into account the then ongoing discussions regarding the establishment of UN Women, had decided to review the mandates of the Special Representative within two years, he wondered whether the mandates conferred on the Special Representative and UN Women, respectively, were in fact complementary. The level of resources for the Office of the Special Representative should be commensurate with its mandates in the current biennium. Lastly, his delegation was disappointed to note that, in creating the post of the Special Representative, the Secretary-General had not followed the established procedure.

The meeting rose at 11.40 a.m.